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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

M. FABRIKANT & SONS, INC. and
FABRIKANT – LEER INTERNATIONAL, LTD.,

Case No. 06-12737 (SMB)
Case No. 06-12739 (SMB)

Debtors.

(Jointly Administered)

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POST-CONFIRMATION STATUS REPORT

The MFS GUC Trust (the “Trust”)¹ established in the above-captioned cases, by its undersigned counsel, as and for its Post-Confirmation Status Report (the “Report”), respectfully represents as follows:

1. On November 17, 2006 (the “Petition Date”), M. Fabrikant & Sons, Inc. and Fabrikant-Leer International, Ltd. (together, the “Debtors”) each filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

2. On May 12, 2008, this Court entered an order (the “Confirmation Order”) confirming the Modified Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the GUC Trust Agreement.

the Official Committee of Unsecured Creditors, the Debtors' Current Lenders, Wilmington Trust Company, as Agent to the Current Lenders, and the Debtors (the "Plan").

3. The Effective Date of the Plan occurred on May 22, 2008. On the Effective Date, and in accordance with Article VI of the Plan and the GUC Trust Agreement, as contained in the Plan Supplement, the Trust was established. Pursuant to the GUC Trust Agreement, certain assets and rights of the Debtors and the Official Committee of Unsecured Creditors (the "Committee") were transferred to the Trust.

4. The Trust is responsible for (a) reconciling general unsecured claims and (b) prosecuting the Original Lender Litigation Claims (as defined in the Plan).

Claims Reconciliation

5. Approximately 579 general unsecured claims have been scheduled and/or filed against the Debtors in the aggregate sum of approximately \$426 million. This includes several claims initially filed as priority or administrative claims that have been reclassified as general unsecured claims. This also includes claims filed pursuant to section 502(h) of the Bankruptcy Code, each of which is based upon a claimant's settlement of an avoidance action brought against it by the SAT.

6. Buchwald Capital Advisors LLC, the Trustee of the Trust (the "Trustee"), and its professionals have completed their review of all of the claims and has determined the likely course of action with respect to such claims. Based on their review, the Trust has filed a number of objections to various claims.

7. The hearings on the Trust's omnibus objections to insider claims, no liability claims, and lender claims have been adjourned several times and are currently scheduled for July 28, 2011.

8. To date, the status of general unsecured claims is as follows:

	<u>Number of Claims</u>	<u>Claim Amount</u>
Claims allowed	470	\$63,161,336
Objected to claims	27	\$108,904,677
Objected to bank claims	4	\$55,678,694
Claims withdrawn	34	\$21,905,418
Claims disallowed	44	\$176,353,308
Total	579	\$ 426,003,433

9. The Trust intends to file its remaining objections to certain additional claims in the near term. The current deadline to object to claims is June 1, 2011.

Original Lender Litigation Claims

10. On October 1, 2007, the Committee commenced an adversary proceeding against eight of the Debtors' pre-petition lenders. Pursuant to the Plan, the Trust is authorized to prosecute the Original Lender Litigation Claims.

11. On December 28, 2009, the Trust filed the Third Amended Complaint. On February 19, 2010, the Defendants filed a joint motion to dismiss the Third Amended Complaint. A hearing was held on the motion to dismiss on May 27, 2010. The Bankruptcy Court recently issued its decision on the motion to dismiss. The motion was granted in part and denied in part. The Trust has appealed the Bankruptcy Court's decision to the U.S. District Court for the Southern District of New York.

Avoidance Actions

12. As authorized by section 5.12 of the Plan, on November 17, 2008 the Trustee filed a number of avoidance actions against various creditors of the Debtors and several of the Debtors' pre-petition lenders. Certain avoidance actions originally commenced by the Shared Assets Trust have also been transferred to the Trust.

13. The status of the Trust's outstanding adversary proceedings is as follows:

<u>Adv. Pro. No.</u>	<u>Defendant</u>	<u>Status</u>
08-01736	CRP Jewellery (Thailand) Ltd.	Court denied default judgment motion; Trust finalizing letter to defendant requesting payment of fraudulent transfer / preferential transfer
08-01737	CRP Jewellery (Chiang Mai) Ltd.	Court has not ruled on default judgment motion; Notice of presentment date was January 21, 2010 and no response was filed or served before objection deadline; Trust finalizing supplemental declaration in support of default judgment motion (including amended proposed order)
08-01317	Fabrikant Hong Kong Ltd.	The Clerk of the Court filed the Entry of Default on October 27, 2010; Trust will file a motion for entry of default judgment in the near term.

Dated: New York, New York
May 3, 2011

MOSES & SINGER LLP

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